

**NEW JERSEY DEPARTMENT OF BANKING AND INSURANCE  
REVIEW REQUIREMENTS  
DWELLING FIRE AND PERSONAL LIABILITY**

<b>REVIEW REQUIREMENTS</b>	<b>REFERENCE</b>	<b>COMMENTS</b>
<b>FORMS</b>		
<b>APPLICATIONS</b>		
Fraud Warning Required	N.J.S.A.. 17:A-6 & N.J.A.C.. 11:16	All applications for insurance shall prominently and clearly contain the following statement: "Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties."
<b>ARBITRATION</b>		
Binding	N.J.S.A. 17:36-5.20	Binding for Property Losses
<b>CANCELLATION &amp; NONRENEWAL</b>		
Cancellation by insured	N.J.S.A. 17:36-5.20	Language allowing the Insured right to cancel the policy upon written request of the Insured. The insurer may retain customary short rate for the time in force and return to the insured the policy's unearned premium.
Cancellation by the company	N.J.A.C. 11:1 - 20.2 & 20.4	Non-payment of premium require a minimum of 10 days notice prior to effective date of termination. Other reasons require a minimum of 30 days notice, but no more than 120 days.
Nonrenewal	N.J.A.C. 11:1 - 20.2 & 20.4	A minimum of 30 days notice is required, but no more than 120 days.
<b>FILING STANDARDS</b>		
Forms	N.J.S.A. 17:29A - 6	All personal policy forms must be filed and receive formal approval before use.
Format	N.J.A.C. 11:1-2	Establishes requirements as to the format of filings for policy forms and endorsements.
<b>LIABILITY LIMITS</b>		
Defense Costs Within Limits	Unpublished requirement	Defense costs, including prejudgment and postjudgment interests, are not permitted within the liability limit and must be a supplementary payment in addition to the liability limit.
<b>READABILITY POLICIES</b>		
Plain Language	N.J.A.C. 11:2 - 18	Personal lines ONLY. Insurers can request certification.
<b>POLICY PROVISIONS</b>		
165 Line Fire Policy	N.J.S.A. 17:36-5.20	Dwelling fire policies must provide coverage as broad as that contained in the Standard Provisions (165 Lines)
Required Policy Statements and Other Data	N.J.S.A.17:36-5.15 and 17:36-5.18	Policy must contain required statements such as (1) Name of Insurer(s); (2) location of Home Office; (3) whether Insurer is stock, mutual, reciprocal or Lloyd's underwriters; and (4) if mutual special regulation regard assessments. Policy must also contain the facsimile signature of the president and secretary of the insurer.
When Loss Payable	N.J.S.A. 17:36 - 5.20	Loss shall be payable 30 days after proof of loss.

EXCLUSIONS		
Animal Exclusion	Unpublished requirement	Not permitted - misleading and against public policy
Corporal Punishment	NJSA 18A:6.1	NOT permitted because it is misleading and against public policy.
Fungi/Mold	Bulletin 02-14	Permitted but must comply with Bulletin
Lead Paint	N.J.A.C. 11:13-7.4	Must comply with regulation
Sexual Molestation	Unpublished requirement	NOT permitted because it is misleading and against public policy.
Terrorism Exclusion	Unpublished requirement	Permitted for one to four family dwellings

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RATES & RULES		
PRICING		
Rating Standards	N.J.S.A. 17:29A7	Rates shall not be excessive, inadequate or unfairly discriminatory
Rates/Rules	N.J.S.A. 17:29A-6 & 17:29A-7	An insurer may itself established rates and supplementary rate information or may use rates prepared by a rating organization of which it is a member.
Loss Costs Procedures	N.J.A.C. 11:4	Lost Cost filings must be filed in accordance with the Prospective Loss Cost Procedures.
GENERAL FILING REFERENCES		
Filing Status	NJSA 17:29A-6	All personal policy forms, rates and rules must be filed and receive formal approval before use.
Format	N.J.A.C. 11:1-2	Establishes requirements as to the format of filings pertaining to rates, rules, and rating plans.
Excess Rate Filings	N.J.S.A. 17:29A-7.1	Excess Rate Consent Filings are permissible for those individual risks that have unique characteristics that are not contemplated by the company when developing the rate for the average risk in that class.
Premium Payment Plans	Bulletin 94-01	Premium Payment Plans filed with the Department should comply with Bulletin 94-01 (All Insurers Transacting Business of Personal Private Passenger Auto Insurance in New Jersey)
Statistical Reporting	N.J.S.A. 17:29A-6	Insurer must report statistical information to a statistical agent